REMARKS

Claims 1-61 are currently pending in the application. By this amendment, claims 1, 9, 34, 40 and 56 are amended for the Examiner's consideration. The foregoing separate sheets marked as "Listing of Claims" shows all the claims in the application, with an indication of the current status of each

While, as noted in the Remarks section of the amendment submitted with the RCE submitted on March 3, 2005, the Examiner has not renewed his previous objection to the "reference signs" in figures 2-6, the Examiner has not indicated on the record whether or not the drawings have been accepted. It will be recalled that the applicant provided an additional paragraph to the specification making explicit the function of these drawing interconnection symbols. It is again requested that an indication of acceptance of the drawings be provided in the next office action.

It is acknowledged with appreciation that the Examiner has not renewed the prior rejection of claims 9-22 under 35 U.S.C. §112, first paragraph.

The Examiner has rejected claims 1-4 and 34-36 under 35 U.S.C. §102(a) as being anticipated by U.S. Patent No. 5,970,469 to Scroggie. Scroggie discloses a system and method for providing shopping incentives to on-line customers. The system and method of Scroggie contemplates selection by the customer from a plurality of incentive offers, where the offers selected designate retailers where the respective offers are effective, and where the selected offers are printed by the customer, permitting the customer to efficiently plan shopping activities (col. 1, line 50, to col. 2 line 13). The technique can be used widely, for example to shop for ingredients for selected culinary recipes (col. 2, lines 14-21).

The following remarks use claim 1 as a model but are applicable to the claimed invention as described in independent claims 1, 9, 34, 40 and 56. While claims 9, 40 and 56 are not rejected under 35 U.S.C. §102(a) as being anticipated by Scroggie, but rather under 35 U.S.C. §103(a) as being unpatentable over Scroggie in

view of the Garg reference relied upon in prior office actions, it is believed that the following argument overcomes not only Scroggie but also Garg and the combination of Scroggie and Garg. Appropriate mention of Garg is included in these remarks, but it is requested that the Examiner consider the extensive discussion of Garg included in the remarks filed on March 3, 2005, which are hereby incorporated by reference.

Considering each claim element in turn, the Examiner cites Scroggie col. 7, line 53, to col. 8, line 2, for the claim element "displaying information ... about a commodity ... for trial purchase ..." (emphasis supplied). The cited passage describes the offers submitted by manufacturer, but nothing in the description suggests the "trial purchase" required by the claimed invention. The passage cited by the Examiner concludes with a description of sub-offer options that may be associated with an offer, including "displaying information about the product involved in the offer" (col. 8, lines 1-2). Clearly, this covers the claim language "displaying information ... about a commodity ...". However, this is not the operative and critical language of this claim element. The operative and critical language of this claim element is "trial purchase". Indeed, "trial purchase" appears in every element of the claim, which is indicative of its importance. Yet the cited language is silent about a "trial purchase" as described and claimed in the invention.

Ironically, the passage cited by the Examiner stops short of line 6, which refers to the sub-offer option of "mailing a sample of the product involved in the offer." While not a "trial purchase" as that term is defined in the specification and claim, a "sample of the product" at least suggests an avenue of inquiry to determine whether or not Scroggie does in fact disclose this critical aspect of the invention. As will become clear from what follows below, this line of inquiry must be answered in the negative: Scroggie does not disclose the "trial purchase" aspect of the invention.

For the second element of the method of claim 1, the Examiner cites col. 7, lines 33-50 of Scroggie. This element of the invention provides for "determining ... whether or not the user is eligible for a trial purchase ... from a database recording

prior uses ... including prior uses of said trial purchase procedure." The cited passage discloses use of a customer identifying number, which – if provided by the on-line customer – allows the store to use the purchasing history of the customer to provide more targeted incentives, e.g. directed to an item purchased earlier. The Examiner's notation indicates that Scroggie's method identifies "prior users eligible for incentives." All that Scroggie discloses here is the common practice of targeted solicitation: if the store knows the customer's prior purchasing history, and focuses its solicitation based on that prior purchasing history, then its solicitations are likely to be more effective. One skilled in the art would see that if it makes business sense for the store to provide incentives in order to move a particular product, then a promotion effort will be more efficiently executed if directed toward those who, from their prior purchasing history, are more likely to be interested in purchasing the product and more likely to be responsive to the purchasing incentives.

However, the "incentives" described in Scroggie are quite different from the trial purchase procedure of the present invention. It is important to point out that the trial purchase procedure of the present invention is embodied in a methodology, as described in claim 1, for example. As has been emphasized in prior responses of record in the prosecution of this application, the present invention is responsive to a concern that new users of an on-line system may be reluctant to engage in the on-line procedure itself, for the reasons described in the specification at page 3, line 7, to page 4, line 4. There is no indication or suggestion in Scroggie of an awareness of, or interest in, this concern. It is not surprising, therefore, that the trial purchase methodology described and claimed in the present invention is not disclosed or suggested in Scroggie. As the Examiner will hopefully be persuaded by the end of these remarks, the claimed limitations upon the use of the trial purchase procedure are novel and not anticipated by Scroggie, or any other of the references of record.

The Examiner uses the same citation (Scroggie, col. 4, lines 33-50) to argue that Scroggie discloses the remaining two elements of the invention as described in

claim 1. These remaining two elements describe the two alternative responses of the invention, based on a determination of eligibility for the trial purchase procedure. The Examiner argues that Scroggie discloses "performing ... said trial purchase procedure and recording in said database said performance as a prior use by said user" (emphasis supplied). Then the Examiner argues that Scroggie also discloses the alternative, namely, "notifying ... the user ... that said trial purchase procedure cannot be provided" (emphasis supplied).

The Examiner's argument is apparently based on the following logic, which classifies a "trial purchase" as an "incentive" and equates the store's use of a customer's prior history as an "eligibility determination": the store examines the customer's prior history, and either offers an incentive or does not offer the incentive. However, this argument fails on several counts. It is imprecise, and fails to account for the plain meaning of the claimed limitations. The limitation is "notifying ... the user" when the trial purchase procedure cannot be provided. There is nothing comparable in Scroggie. The Scroggie disclosure does not "notify the user" upon a finding that the user is not "eligible." Nor is there any reason in Scroggie to do so, since all Scroggie is interested in is providing targeted incentives. If a particular customer is not targeted, there is no reason to notify the customer of that determination.

While the Examiner's logic is understandable, it relies upon an implication (i.e. that the customer who does not receive the targeted offer is "implicitly" notified) that is not supported by the Scroggie disclosure. The applicant has set forth the notification limitation as an affirmative limitation, and is entitled to have that limitation acknowledged. The applicant would further emphasize this point by drawing the Examiner's attention to Figure 3, and in particular to the transition provided at S18, where the determination is made by the selling system whether the member is eligible for the trial purchase procedure. It is clear that if the eligibility determination is negative (e.g. the member has already performed a trial purchase),

the member will receive at the user terminal an indication that a trial purchase cannot be provided, as shown in item S19. Scroggie neither discloses nor suggests such notification.

This outright omission in Scroggie is the capstone of a series of weak connections between the Scroggie disclosure and the present invention, all of which can be understood with reference to the above described objective of the present invention to address the hesitancies of those who are new to on-line purchasing. To interpret the claimed eligibility determination as reading on Scroggie's targeted marketing scheme takes portions of the claim language and reads them out of context. For example, the "determining ... whether or not the user is eligible" element clearly distinguishes in the database records between prior purchases and prior uses of the trial purchase procedure. The Examiner's reading ignores this distinction. There is no indication in Scroggie of a similar distinction in the database records. Similarly, the claim language of the present invention makes a connection between eligibility for a trial purchase procedure and the recording in the database of a record of such use of the trial purchase procedure. Clearly, there is no description or even suggestion in Scroggie's targeted marketing scheme that, if "targeted" and if a purchase results, the particular purchase in response to an incentive will be distinguishable in the database from other purchases. Nor is there a description or suggestion in Scroggie of any connection in the logic for "targeting" between such a record of past use of "incentives" and the targeting logic. It will be observed that the Garg reference similarly fails to make a connection limiting a user's access to a subsequent promotion based upon that user's participation in a past promotion. It is that connection which is made by the present invention.

In summary, it is submitted that the Examiner has not given full effect to each and every limitation claimed by the applicant. While it is understood that claims in prosecution must be read broadly, such a broad reading must also include each and every limitation. It is respectfully requested that the Examiner reconsider the

Scroggie rejection and apply a reading of the claimed subject matter that includes the whole of what is claimed. It is hoped that the above discussion will remove Scroggie as a reference.

It should be noted that the present response includes an amendment clarifying that the record made of a use of the trial purchase procedure is, indeed, a record of the use of the trial purchase procedure and not simply a prior use of the broader "commodity providing means."

The Examiner has rejected claims 5-33 and 37-61 under 35 U.S.C. §103(a) as being unpatentable over Scroggie in view of U.S. Patent No. 6,571,216 to Garg. The Examiner cites Garg, in combination with Scroggie, as teaching a method to provide a commodity for free "to provide a system for giving rewards that supports targeting and profiling of users." As indicated above, Scroggie itself suggests providing the customer with a sample of the product, which could be construed as a product for free. However, as shown above, that line of reading the claimed invention does not address the limitations as stated in the claims, instead omitting significant aspects of the limitations. As shown above, these omissions are believed to remove Scroggie as a reference, whether or not combined with Garg, because the limitations are neither disclosed nor suggested by these prior art references, either separately or in combination. Consequently, the grounds presented by the Examiner for rejecting claims 9, 40 and 56 are also believed to be overcome. Further, since the remaining rejected claims depend from claims 1, 9, 34, 40 or 56 it is believed that the grounds for rejection are overcome as to these remaining claims as well.

The Examiner's citation to U.S. Patent No.6,363,356 to Horstmann as pertinent art not relied upon is noted. Horstmann discloses a "download-then-pay system" for distributing software, which allows customers to try the software before they buy it. This approach to software distribution addresses user hesitancies with regard to the performance and suitability of the software product, whereas the

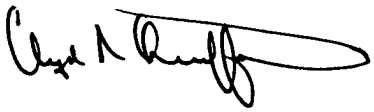
methodology of the present invention addresses user hesitancies with regard to the on-line purchase mechanism itself.

In view of the foregoing, it is requested that the application be reconsidered, that claims 1-61 be allowed, and that the application be passed to issue.

Should the Examiner find the application to be other than in condition for allowance, the Examiner is requested to contact the undersigned at 703-787-9400 (fax: 703-787-7557; email: clyde@wcc-ip.com) to discuss any other changes deemed necessary in a telephonic or personal interview.

If an extension of time is required for this response to be considered as being timely filed, a conditional petition is hereby made for such extension of time. Please charge any deficiencies in fees and credit any overpayment of fees to Attorney's Deposit Account No. 50-2041.

Respectfully submitted,



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